

STATEMENT OF SENATOR CONRAD BURNS
AVIATION SUBCOMMITTEE FIELD HEARING ON THE IMPACT OF PILOT
SHORTAGES ON AIR
SERVICE TO SMALLER AND RURAL MARKETS

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Good morning, and welcome to this field hearing of the Senate Aviation Subcommittee. As many of you know, I have been able to use my position on the Senate Aviation Subcommittee to help ensure Montana's very fragile relationship with adequate and affordable air service. Although our current needs are well served by Delta, Northwest and United, it seems we are always fighting to maintain our current service levels.

A couple of months ago, I began hearing about an impending domestic pilot shortage due to a number of factors. After much research and discussion, and an examination of today's market, it is very apparent we are on the verge of a serious pilot shortage. It is also apparent that the hardest hit economies will be those that are rural in nature and rely on regional service. Montana fits that description.

I don't need to tell anybody here in the far reaches of the state how important adequate air service is to the economy. Monte Eliason, manager of the Glacier International Airport, has been very proactive in his pursuit to retain competitive air service in the region.

Considering many of the elements that are driving this pilot shortage originate in our federal bureaucracy, it is important that Congress address this important issue. I intend on using this hearing as a springboard to further hearings in Washington under the banner of this subcommittee. I am convinced that the testimony we hear today will convince my colleagues of the serious nature of these proceedings.

Before we hear from today's witnesses, I would like to briefly discuss some of the elements that have attributed to this pilot shortage crisis.

Because the national economy has done fairly well over the last few years, the major airlines have seen something of a boom in their business. As with any business when times are good, the big airlines are expanding -- which means they are hiring pilots in almost record numbers. The only problem is that the big airlines tend to hire their pilots from the regional airlines. That leaves the smaller airlines scrambling to replace those who move on.

When the regional airlines get caught with too few pilots, that means they sometimes have to cancel flights. We'll hear testimony corroborating that statement. If the loss of pilots is too severe, entire routes may be abandoned. It doesn't take a doctorate in economics to figure out that the flights and routes that are canceled in these situations are those that are least profitable. The sad part is that the less profitable a particular route tends to be for an airline, the more important it tends to be for the people served by that route.

If a regional airline is the only carrier serving a particular community, and it cancels the route, what are the residents of that community supposed to do then? Air service is an essential lifeline for many individuals and communities. Without it, an area can be devastated. Montana's participation in the Essential Air Service program has been a solution to that issue in the case of smaller isolated communities but is jeopardized if these operators cannot supply pilots.

The loss of pilots also affects the charter operators. With so many pilots moving on up, a lot of small businesses are being hit hard. I hope to hear more about the specifics of these problems from at least one of our witnesses today.

Pilot shortages have already led to canceled flights by regional airlines, such as Big Sky and Great Lakes, and the problem may only get worse in the near future. The military used to supply a lot of pilots to the industry. But a large number of pilots who were trained by the military during the Vietnam era are getting to the point where they have to retire because of federal regulations.

Since the late 1950's, airline pilots have had to retire when they reach the age of 60. But some pilots aren't ready to retire at that age and many are probably fit enough to keep flying. I understand there is great opposition to changing the rule and some worry about the safety implications, but perhaps some accommodation or compromise could be made if the demand for qualified pilots continues to exceed the supply.

It may only provide temporary relief, but the air service needs of small and rural communities are very important, and we shouldn't rule out anything. Also, I find it quite disturbing that the federal government can apply a blanket regulation like the Age 60 rule determining that a pilot exceeding that age is considered a hazard.

Federal rules that restrict how many hours a pilot may fly also have an impact on the demand for pilots. The current rules were adopted many years ago, and the industry has developed a complex scheduling system to keep their route structures running. However, the Federal Aviation Administration (FAA) is

proposing changes to the flight and duty time rules that could worsen the pilot shortage and impact air service here in Montana and other rural states.

According to the airlines, the FAA's proposal would force them to hire a lot more pilots. Because the big airlines would hire pilots away from the regional carriers at an even faster rate, smaller carriers are going to be in a very tough spot. Cancellations of flights and routes could skyrocket. And without enough pilots to fly all their routes, these carriers aren't going to stop flying between the big and medium-sized cities -- they are going to stop flying to small communities -- communities just like Kalispell.

The prospect of a significant drop in the level of air service in Montana just isn't acceptable. We cannot afford route, frequency, or capacity decreases. The economic impact would be enormous in a time when Montana is reaching out to attract new business and tourism growth.

I know that the general aviation community is trying to encourage people to become pilots. Because general aviation is the grassroots of the aviation industry, this effort could help ease the situation. I look forward to hearing more about that from one of our witnesses this morning.

I thank everyone for being here this morning, and I especially appreciate the participation of those witnesses who came here from outside the state. As I'm sure you noticed, it can already be tough to get here at a reasonable price on a convenient flight. I'm hoping it doesn't get any worse.